



NEW JERSEY WATER SUPPLY AUTHORITY

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Minutes of the Meeting of the
New Jersey Water Supply Authority
February 1, 2021

A regular meeting of the New Jersey Water Supply Authority was convened on February 1, 2021 at 2:00 P.M. via teleconference.

As designated by Shawn M. LaTourette, Acting Commissioner, New Jersey Department of Environmental Protection and Chair, New Jersey Water Supply Authority, Jeffrey Hoffman, State Geologist, Division of Water Supply and Geoscience, served as Acting Chair of the meeting and called the meeting to order.

Deputy Attorney General Kathrine Hunt read the statement required by the "Open Public Meetings Act". Executive Director Marc Brooks took the roll call of the Authority members.

Present: Jeffrey Hoffman, Acting Chair
Susan Blew
Ellsworth Havens
Robert Iacullo
Steven J. Picco

A quorum existed for the transaction of Authority business.

Interested Parties Present:

Oleg Kostin, New Jersey American Water
Robert Barth, D&R Canal Watch
Angelo Lovisa, Hunterdon Sailing Club
David Brogle, Middlesex Water

Authority Staff Present:

Marc Brooks, Executive Director
Susan Buckley, Director Finance and Administration
Darin Shaffer, Chief Engineer
Paul McKeon, Director Manasquan Water Supply System/D&R Canal
Kenneth Klipstein, Director Watershed Protection Programs
Rita Shaw, Controller
Michelle Rollman, Finance & Accounting Analyst
Kathrine Hunt, Deputy Attorney General
Lauren LaRusso, Governor's Authorities Unit

APPROVAL OF THE MINUTES

Acting Chair Jeffrey Hoffman opened the meeting by asking for the approval of the minutes of the December 7, 2020 meeting. Ms. Blew moved for the approval of the minutes as prepared and this motion was seconded by Mr. Picco. The minutes of the December 7, 2020 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Brooks stated that everyone has a copy of his report. Mr. Brooks provided an update on COVID-19 at the Authority. The Authority has had a total of 14 employees who have tested positive for COVID-19. Mr. Brooks described an outbreak during the previous week at the South Branch Pumping Station. Mr. Brooks discussed the Authority response, the number of employees involved, and the extent to which they were affected. The absence of these employees has not affected any critical operations and management has discussed contingency plans in the case of an emergency that would typically require pump station personnel.

Mr. Brooks noted that Executive Orders continue to permit all Authority construction projects to continue. The contractor and the engineer for the Round Valley Rehabilitation Project have each had COVID-19 cases. Social distancing, excellent open communication and contact tracing has been successful in curtailing virus spread on the site.

Mr. Brooks stated that rainfall recorded at the Spruce Run gage for December was 4.05 inches which was 0.3 inches above normal. For the calendar year 2020, total rainfall at Spruce Run was 2.55 inches above average. Slightly below average rainfall, or 4.55 inches, fell in Manasquan during December.

In response to a question from Mr. Iacullo, Mr. Brooks stated that, to his knowledge, very few Authority employees have been vaccinated for COVID-19 to date.

COMMUNICATION/CORRESPONDENCE

Mr. Brooks stated that there were no items of communication or correspondence received.

UNFINISHED BUSINESS

Mr. McKeon reported on the Manasquan Reservoir System and the Manasquan Water Treatment Plant/Transmission System. Mr. McKeon stated that everyone has a copy of his reports. Mr. McKeon stated that everything has been going well and as usual in the Manasquan system. Mr. McKeon stated that he had nothing additional to report

and offered to answer any questions. In response to a question from Mr. Hoffman regarding the failed wells and piezometers at the Manasquan Reservoir Dam embankment, Mr. McKeon stated that a possible cause of failure for some might be lightning strikes, but that the predominant cause is likely due to age.

Mr. Shaffer reported on the Raritan Basin System. Mr. Shaffer stated that everyone has a copy of his report. Mr. Shaffer stated that as of January 29, Spruce Run Reservoir was at elevation 272.94 feet which is 99.8 percent of capacity. Round Valley is drawn down for the rehabilitation project and will remain at or below elevation 360.8 for the project duration. On January 29, it was at elevation 360.1 feet or 66 percent of capacity. The combined reservoir capacity is at 71.6 percent while it is typically 88.7 percent for this date.

Mr. Shaffer stated that Canal operations are normal for this time of year. An embankment leak in the vicinity of the Brookville Wastegate in Stockton has been resolved by staff repairs to the clay liner around the upstream wastegate structure and the restoration of the downstream slope and filter.

Maintenance activities continue to be prioritized and coordinated each day. Using staggered start times, staff continues to operate at normal capacity while maintaining social distancing.

Mr. Shaffer reported on the Canal Dredging Project. Dredging operations in Reach 6, the final reach, were completed on Saturday, December 5th. A total of approximately 182,000 cubic yards of sediment were removed from the canal over the three seasons of dredging, which is about 20 percent less than the bid quantity. All equipment has been removed from the canal and most equipment has been removed from the access areas. Sediment transportation from the dewatering site to the beneficial reuse site began January 11, and will continue for a couple more months. Final site restoration is expected to be completed in early summer.

Mr. Shaffer reported on the Round Valley Reservoir Dams-Rehabilitation and Resource Preservation Project. Mr. Shaffer stated that no substantial earthwork has occurred on the Dike since December 16, when an early snowstorm covered the worksite. Following the end of year holidays, the contractor determined that weather conditions were not conducive for mass earthfill placement. The dewatering system continues to operate and the contractor is maintaining staff and equipment on-site.

Mr. Shaffer stated that sand and stone deliveries and some sediment basin construction continue at the South Dam. Some ancillary work on the towers has occurred in the month of January. County Rt. 629 remains closed to all traffic and the public within

the project area between the Dike and Old Mountain Rd.

Mr. Shaffer discussed the Island Farm Weir Embankment Rehabilitation Project. Work to repair and armor the right abutment of the Island Farm Weir is mostly complete. The contractor will return in early spring to seed disturbed areas and complete restoration of the site.

Mr. Shaffer stated that a discussion of several change orders was provided in his written report and offered to answer any questions.

Mr. Klipstein reported on the Watershed Management Program. Mr. Klipstein stated that everyone has a copy of his report. Mr. Klipstein stated that he had nothing to add to his written report and offered to answer any questions.

NEW BUSINESS

Mr. Picco provided the background information on the resolution authorizing the award of a contract to conduct the Annual Fiscal Audit for the fiscal year ending June 30, 2021. Mr. Picco discussed the contract with Mercadien, P.C. Mr. Picco stated that the Authority retains an auditor through a competitive process at least every five years for an initial year and up to four contract renewals in accordance with E0122. This audit cycle for the FY2021 financial statements will be the fifth year, or fourth renewal, under the January 2017 procurement; consequently, auditing services will be procured again for the FY22 audit. Mr. Picco noted that Mercadien P.C. has submitted a proposal providing for a fifth year fee not to exceed \$53,500. Mr. Picco commended the work of Mercadien, P.C. and stated that the Audit committee is comfortable with the proposal and recommends approval of the resolution by the Board.

Mr. Picco moved the resolution to authorize the Executive Director to enter into a contract with Mercadien, P.C. of Princeton, New Jersey to conduct a financial audit of its records and accounts for the fiscal year ending June 30, 2021, perform Arbitrage Rebate Calculations, conduct the Single Audit as necessary, and issue Agreed-Upon Procedures for a fee not to exceed \$53,500. Mr. Havens seconded the motion for the Resolution. All Authority members approved the Resolution.

Ms. Buckley provided the background information on the resolution to amend the by-laws of the New Jersey Water Supply Authority. Ms. Buckley stated that the resolution changes the Authority bylaws to establish that budgets and rates may be approved by the Board no later than June of each year for the fiscal year that begins on the following July 1. Previously, the bylaws required passage at the April Board meeting, which is not always possible

given review and publishing deadlines. This change was suggested by Mercadien, P.C., the Authority's auditors, as part of the FY20 audit.

Mr. Iacullo moved the resolution to amend the by-laws of the New Jersey Water Supply Authority. Mr. Picco seconded the motion for the Resolution. All Authority members approved the Resolution.

Mr. McKeon provided the background information on the resolution authorizing the Executive Director to enter into a purchase agreement for polyaluminum chloride for the Manasquan Water Treatment Plant, Wall Township, Monmouth County. Mr. McKeon stated that the Authority undertakes an annual solicitation for chemicals for the Manasquan Water Treatment Plant. Mr. McKeon described the bid process and stated that five bids were received for polyaluminum chloride which is the primary coagulant used at the treatment plant. There were three bids for sodium hypochlorite which were below the \$44,000 threshold to require Authority Board approval. Mr. McKeon noted that the low bid from USALCO for polyaluminum chloride was only slightly above the cost per pound in the prior year contract. USALCO did not provide the chemical to the Authority last year, but the Authority has worked with them in the past.

Ms. Blew moved the Resolution Authorizing the Executive Director to enter into a 12-month purchase agreement with USALCO of Baltimore, Maryland for polyaluminum chloride, for a unit cost of \$0.160/lb for a total cost not to exceed \$78,400.00. Mr. Iacullo seconded the motion for the Resolution. All Authority members approved the Resolution.

Mr. McKeon provided the background information on the resolution authorizing the Executive Director to enter into a contract for the replacement of an underground fuel oil storage tank with an above ground tank at the Manasquan Water Treatment Plant, Wall Township, Monmouth County. Mr. McKeon described the history of the project as a Manasquan Capital Improvement Project as well as the plan specifications, design process and scope. Mr. McKeon discussed the bid process and stated that six bids were received. Staff reviewed the bids for content, adherence to technical specifications and completeness. The low bid of \$78,410.00 from Aurora Environmental Services Inc. was found to be in compliance with the requirements of the technical specifications. The bid was reviewed and no exceptions were taken by Aurora Environmental Services Inc. Mr. McKeon noted that the engineer's estimate for this work was \$220,000.00. Mr. McKeon also noted that the contractor has done work for the Authority before.

Ms. Blew moved the resolution authorizing the Executive Director to enter into a contract with Aurora Environmental Services of Union Beach, New Jersey to furnish the replacement fuel storage tank system

as outlined in the specifications and plans, for use in the Manasquan Water Treatment Plant - Allenwood, Monmouth County, New Jersey for a lump sum cost of \$78,410.00. Mr. Havens seconded the motion for the Resolution. All Authority members approved the Resolution.

Mr. Shaffer provided the background information on the resolution authorizing the award of a construction contract for the Dellwood Lane Detention Basin Retrofit in Franklin Township, Somerset County, New Jersey. Mr. Shaffer stated that the outlet of Dellwood Lane storm water detention basin eventually flows into the Canal via Infall #62. This infall is located less than two miles upstream of several water supply intakes. Previous studies established that Infall #62 was a major contributor to the Canal's total suspended solids, total phosphorus and sediment accumulation during and immediately after precipitation events.

As part of a larger project to improve water quality in the canal, the Authority retained a consulting engineer to prepare plans and specifications to retrofit this basin to reduce nutrients and sediment loads leaving the basin, thus improving water quality at the infall to the Canal. The intent is to naturalize the basin and increase the detention time. Mr. Shaffer described the scope of work.

Mr. Shaffer stated that advertisement for bids followed standard procurement practices, and 10 bids were received on January 11, 2021 ranging in cost from \$129,417.38 to \$328,605.40. Mr. Shaffer noted that the Engineer's estimate was \$186,026.16. This construction project is being financed by mitigation funds associated with the Delaware and Raritan Canal Commission. Authority staff reviewed the low bid submitted by DCRS, LLC and found it to be legally and technically responsive.

Mr. Havens moved the resolution authorizing the Executive Director to enter into a construction contract with DCRS, LLC, of Cream Ridge, New Jersey for the Dellwood Lane detention basin retrofit in Franklin Township, Somerset County, New Jersey for a lump sum and unit price cost not to exceed amount of \$129,417.38. Mr. Iacullo seconded the motion for the Resolution. All Authority members approved the Resolution.

COMMITTEE REPORTS

- (a) Personnel - no report
- (b) Finance - no report
- (c) Audit - no report
- (d) Public Participation - no report
- (e) Capital Projects - no report
- (f) Insurance - no report
- (g) Watershed Lands Acquisition - no report

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

There was no need for an Executive Session.

ADJOURN

Mr. Havens moved to adjourn the meeting. Mr. Picco seconded the motion. All Authority members approved the motion. The meeting was adjourned at 2:23 P.M.

I hereby certify this to be a true and original copy of the February 1, 2021 New Jersey Water Supply Authority meeting minutes.

Michelle Rollman

Michelle Rollman
Finance & Accounting Analyst